

STATE OF MINNESOTA

ENVIRONMENTAL QUALITY BOARD

**In the Matter of Great River Energy's
Application for a Site Permit for the
Cambridge Station.**

ENVIRONMENTAL ASSESSMENT SCOPING DECISION

**EQB Docket No. 05-92-PPS-GRE Cambridge
PUC Docket No. ET-2/CN-05-347**

The above-entitled matter came before the Chair of the Minnesota Environmental Quality Board (MEQB) for a decision on the scope of the Environmental Assessment (EA) to be prepared on the proposed Cambridge Station project.

The EQB held a public meeting on April 19, 2005, to discuss the project with the public and to solicit input into the scope of the EA to be prepared. The public was given until April 29, 2005, to submit written comments regarding the scope of the EA.

Having consulted with the EQB staff, I hereby make the following Scoping Order.

MATTERS TO BE ADDRESSED

The EA on the Cambridge Station project will address the following matters:

- 1.0 OVERVIEW
- 2.0 INTRODUCTION
 - 2.1 Project Description
 - 2.1.1 Description of Power Generating Equipment and Processes
 - 2.1.2 Air Emissions Control Equipment
 - 2.1.3 Water Use
 - 2.1.4 Wastewater
 - 2.1.5 Solid and Hazardous Waste Generation
 - 2.1.6 Fuel Supply
 - 2.1.7 Construction
 - 2.1.8 Electrical Interconnection
 - 2.1.9 Pipeline
 - 2.2 Purpose
 - 2.3 Sources of Information
- 3.0 REGULATORY FRAMEWORK
 - 3.1 Certificate of Need
 - 3.2 Site Permit Requirements
 - 3.3 Joint Hearing
 - 3.4 Other Permits
- 4.0 ALTERNATIVES TO THE PROPOSED PROJECT
 - 4.1 No-build Alternative

- 4.2 Demand Side Management
- 4.3 Purchase Power
- 4.4 Alternative Fuels
 - Coal-fired Boiler
 - Oil-fired Simple Cycle
 - Combined Cycle
- 4.5 Up Grading Existing Facilities
- 4.6 Renewable Sources of Energy
 - Wind Technology
 - Biomass
 - Ethanol-Fueled
 - Hydropower
 - Solar Technology
- 4.7 New Transmission
- 4.8 Emerging Technologies
- 4.9 Alternative Site: Elk River Station

5.0 ENVIRONMENTAL SETTING

- 5.1 Air Quality
- 5.2 Land Use
- 5.3 Natural Resources
- 5.4 Visual Aesthetics
- 5.5 Archeological and Historic Resources
- 5.6 Transportation
- 5.7 Socioeconomics
- 5.8 Noise

6.0 HUMAN and ENVIRONMENTAL IMPACTS

- 6.1 Air Quality
 - Criteria Air Pollutant Emissions
 - NAAQS Modeling
 - HAPs
 - Air Emissions Risk Analysis
 - Other
- 6.2 Land Use
 - Zoning & Displacement
 - Agricultural & Farmland
- 6.3 Natural Resources
 - Flora
 - Fauna
 - Rare & Unique Natural Resources
 - Recreational Sites
 - Prohibited Sites
 - Forestry
 - Mining
- 6.4 Visual Aesthetics

- 6.5 Archeological and Historic Resources
- 6.6 Transportation
- 6.7 Socioeconomics
- 6.8 Water Resources
 - Surface Water
 - Groundwater
 - Wetland/Floodplains
 - Stormwater Management
- 6.9 Waste Management & Disposal
- 6.10 Noise
- 6.11 Public Services

7.0 SUMMARY OF MITIGATIVE MEASURES

8.0 ACRONYMS, ABBREVIATIONS and DEFINITIONS

IDENTIFICATION OF PERMITS

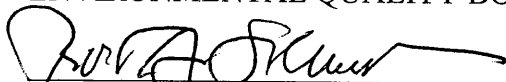
The EA will include a list of permits that will be required for the applicant to construct this project.

SCHEDULE

The EA will be completed by July 18, 2005.

Signed this 5 day of May, 2005

STATE OF MINNESOTA
ENVIRONMENTAL QUALITY BOARD


Robert A. Schroeder, Chair



May 5, 2005

TO: Robert A. Schroeder, Chair
EQB (Tel: 651-296-3391)

FROM: William Cole Storm
EQB Staff, (Tel: 651-296-9535)

RE: EQB Staff Recommendation on EA Scoping Decision
GRE Cambridge Station
Isanti County, Minnesota
EQB Docket # 05-92-PPS-GRE Cambridge Station

ACTION REQUIRED: Signature of the Chair on the attached Scoping Decision. The MEQB staff will mail notice of the scoping decision to interested parties within five days of the Chair's decision.

BACKGROUND: GRE proposes to construct a 170 MW, natural gas-fired, simple cycle combustion turbine generator at its existing peaking plant site near Cambridge in Isanti County, Minnesota. The proposed facility will be located on a current generating site, approximately 13 acres in size, owned by GRE. The site currently has a 25 MW, fuel oil-fired, combustion turbine generator and associated substation.

On March 11, 2005, GRE submitted to the Minnesota Environmental Quality Board (MEQB) a site permit application regarding the Cambridge Station. On February 28, 2005, GRE submitted to the Minnesota Public Utilities Commission (MPUC) a Certificate of Need application regarding the Cambridge Station. GRE has requested that a joint hearing be held to consider both the CON and Site Permit applications. Minn. Stat. § 216B.243, subd. 4.

On March 14, 2005, the EQB Chair accepted the applications as substantially complete and notified the applicant in writing of the decision.

On March 17, 2005, the EQB passed a resolution authorizing a joint hearing to be held to consider both the Certificate of Need (CON) application and the Site Permit application. On April 8, 2005, the PUC issued an order finding the CON application substantially complete and authorizing the holding of joint public hearing on need and siting.

EQB staff expects this project to be placed on the EQB's agenda for a decision in October 2005.

ENVIRONMENTAL ASSESSMENT SCOPING PROCESS: On April 19, 2005, a public meeting was held by the MEQB staff at the Isanti County Fairgrounds to discuss the project with



interested persons and to solicit input into the scope of the Environmental Assessment. Thirteen people, in addition to representatives of GRE, attended the public meeting. The public also had an opportunity to ask questions during informal discussions with company representatives. The comment period was held open until 5:00 pm April 29, 2005. The major areas of concern voiced during the public meeting were noise, air emissions and visual impacts. These issues have been incorporated into the proposed Scoping Decision along with a number of other usual impacts associated with large energy projects.

No written comments were received.

SCHEDULE: The Environmental Assessment will be completed by July 18, 2005.